

The rationale and strategy available to the UK for developing a transnational higher education provision

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Abstract

This paper considers the rationale for the UK to be involved in the transnational HE landscape by virtue of its excellent reputation, competitive advantage for higher education and for legal, accountancy and professional services. These are the main drivers for the popularity of UK Universities. By understanding how the UK's economic position impacts upon entry to Transnational HE and the entry modes available to the UK, we suggest the preferred entry mode and conclude that there is a substantial opportunity to develop transnational HE institutions within the short and middle term to benefit a wide range of potential students.

Keywords: *Transnational, Higher Education, Academic Partnership, Service-Industry,*

Introduction

In the past two centuries, the English language has become the preferred international language in small and large countries, ranging in size from Singapore to China and Russia. English might not be the most widely used first language in the world; but it has become the pre-eminent and most popular international language. It is a wonderful and fascinating journey to learn how the first language of a small country, situated on a medium sized island- occupying less than 0.17% of the world's landscape and representing just a tiny 0.87% of world population (<https://www.ons.gov.uk>; Worsley, & Kidder 1991), can become the most popular international language. It is a story of a small- to medium-sized country punching well above its weight on the world stage.

The subject of this article is not about English language; so we do not intend to focus on the rationale and methods by which this language has become widely accepted. However, we will aim to use metaphors to make a case for UK higher education providers to embrace the concept of transnational education, to enjoy its benefits and to capitalise on the opportunities presented by its worldwide adoption.

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Transnational education (TNE)

TNE is often defined as the 'provision of education for students based in a country other than the one in which the awarding institution is located (HEGlobal, 2016).

On the other hand, internationalisation is defined as the variety of policies and programmes that universities and governments implement to respond to globalisation. These typically include sending students to study abroad, setting up a branch campus overseas, or engaging in some type of inter-institutional partnership (Altbach *et al.*, 2009).

The definition of TNE would include internationalisation, with cross-border activity whilst individual countries maintain their own national borders, whereas globalisation is this activity repeated in the absence of national borders. Study mobility is viewed as the most obvious constituent, affording students high temporary mobility. The 'Bologna Process' and Sorbonne Declaration, both initiatives by the European Union (EU, 2012) have as a goal to increase the attractiveness of HE at Post-Graduate, Masters and Doctoral study levels for students from other parts of the world and to afford intra-European availability (Teichler, 2002). Of course, the tension between competition on the one hand and cooperation on the other will be

present, and the authors believe that some time will elapse before internationalisation will become a major component of European, let alone Worldwide, HE studies (Vught *et al.*, 2002).

Altbach & Knight (2007: 290) propose that globalisation and internationalisation are related but different. Globalisation is the context of economic and academic trends that are part of the reality of the 21st century. Internationalisation includes the policies and practices undertaken by academic systems and institutions and, even individuals, to cope with the global academic environment. What drives internationalism, they claim, is the need for competitive advantage, to increase language competency and to develop an international syllabus.

On the other hand, the authors of this article, whilst not disagreeing with the above definitions, believe that the focus for developing TNE could be widened to incorporate the support of less-privileged students who do not have the resources available to make use of the benefits described above. The undeniable advantage of increasing educational experience and standards for those whose current limits and prospects are restricted to local opportunities, remains attractive, and we believe this should be the main rationale for TNE.

Competitive advantage in Services

As a knowledge-based economy, the UK punches above its weight among many other advanced economies in relation to knowledge-based service exports (Fuerstner, 2010). The UK has a strong comparative advantage in a wide-range of service related sectors, including banking and finance, law, accounting and education. Its share of export services is around 12% of GDP, compared to about 8% in Germany and France, 4% in the United States and 3% in Japan (PWC, 2016). In absolute terms, the UK is the second-largest exporter of services in the world behind the United States (Asaad *et al*, 2013).

English Language

The rise of English as the dominant language of scientific communication is unprecedented, since Latin was all pervasive in the academy through Medieval Europe. English language has helped to concentrate ownership of publishers, databases and other key resources in the hands of the strongest universities and some multinational companies, located predominantly in English-speaking countries.

Globally recognised awards

Globalisation is not the single largest factor that drives transnational higher education, as evidenced from the limited number of international institutions operating in advanced economies, which have originated in another country, where it also operates. If we use the UK as a case example, only a tiny percentage of foreign universities or higher education providers are operating in the UK.

Multinational companies, highly skilled labour mobility, international migration and opportunities to work in business processes outsourced outside the home country has driven the demand for globally recognised qualifications. This has resulted in students searching to pursue qualifications awarded by world renowned awarding bodies. Consequently, the demand for TNE around the world has been increasing over the years (Jones, 2002; Marginson, 2004; Wyatt, 2001).

Another factor that drives TNE is the shortage of globally recognised awarding bodies in the developing countries. Marginson (2004) argues that transnational education is driven by insufficient supply in local post-secondary institutions, globalisation of the workforce, and the potential prestige associated with holding a foreign degree.

Increasing student mobility

More than two and one-half million students are studying outside their home countries. Estimates predict that the number will rise to seven million international students by 2020. (Altbach, *et al*. 2009).

The mobility of international students involves two main trends. One consists of students from Asia entering the major academic systems of North America, Western Europe, and Australia. The other is taking place within the European Union, as a consequence of its various programmes to encourage student mobility. Globally, international student mobility largely

reflects a South-North phenomenon (Altbach, *et al.* 2009).

Privatisation

The growth of private higher education worldwide has been one of the most remarkable developments of the past several decades. Today some 30% of global higher education enrolment is private. Private higher education institutions, many of them for-profit or quasi for-profit, represent the fastest-growing sector worldwide. Countries with over 70% private enrolment include Indonesia, Japan, the Philippines and the Republic of Korea. The private sector now educates more than half the student population in such countries as Mexico, Brazil, and Chile. Private universities are rapidly expanding in Central and Eastern Europe and in the countries of the former Soviet Union, as well as in Africa. The Middle East and North Africa are also registering private education enrolment, with 'American universities' dotting the horizon in Egypt, Jordan, Lebanon and elsewhere (Altbach *et al.*, 2009).

Global marketing of higher education Growing numbers of education intermediaries internationally have played an important role in marketisation of the higher education. Their diverse services go beyond simply recruiting students. Many of them have set up pathway and foundation courses. These intermediaries promote and undertake market-making activity. Komljenovic and Robertson (2017) recognise the importance and scale of marketing-making and stress that investments and networks play key roles in the process. Some UK and

Australian Universities diversify their income streams by opening-up their provision for international students. In many UK universities, fee income from international students represents a significant portion of their incomes. Many of these universities rely extensively on these intermediaries.

Push by demographic shifts:

There was a temporary demographic realignment in European countries after the end of World War Two. However, since then in relative terms, the population in Europe, although increasing in absolute terms, has declined in comparison to other continents. For example, in 1950, the population in Asia represented 55.5% of the world population. By 2010, it had increased to 60.3%. Similarly, the population in Latin America and Caribbean represented 6.6% in 1950, but, by 2010, had increased to 8.5%. Sub-Saharan Africa's population has increased as a percentage of the total world population from 7.4% in 1950 to 12.4% in 2010 (Shackman *et al.*, 2012). On the other hand, as a percentage of total world population, Europe's population percentage has declined from 21.6% in 1950 to 10.7% in 2010; and North America, from 6.8% in 1950 to 5% in 2010 (Shackman *et al.*, 2012).

To create jobs for the growing younger population, many emerging economies and developing countries have allowed the private sector to play a crucial role, resulting in an unparalleled expansion in higher education, most notably driven by the private sector. In comparative terms, the market for higher education has increased in Asia, Latin America

and Caribbean, and decreased in Europe and North America. According to data published by UNESCO (2015), Japan, the United States and West European countries have seen only moderate increases in student enrolment in tertiary educational institutions between 1990 and 2007. The U.S. Department of Education (2014), claimed that the total undergraduate enrolment in degree granting post-secondary institutions, was 3% lower in 2013 than it was in 2010. Upward and downward trends are likely to continue, according to predictions made by the British Council (2013), which projected that by 2025, the majority of College students in tertiary education will come from developing countries.

Globally, the percentage of students enrolled in tertiary education has grown from 19% in 2000 to 26% in 2007, with the most dramatic gains made in upper middle and upper income countries. There are some 150.6 million tertiary students globally, roughly a 53% increase over 2000. In low-income countries tertiary-level participation has improved only marginally, from 5% in 2000 to 7% in 2007. Sub-Saharan Africa has the lowest participation rate in the world (5%). In Latin America, enrolment is still less than half that of high-income countries. Attendance entails significant private costs that average 60% of GDP per capita (Altbach *et al.*, 2009).

Marketisation

Until late in the twentieth century, higher education was generally considered a public good, but since the 1980s many universities and governments in developed western countries seem to have adopted the view that higher

education is a tradable commodity to be sold for commercial gain (Altbach 2004). Thus, the marketisation of higher education has become very much part of the normative framework (Marginson & Van der Wende, 2007). As TNE often flows from more developed to less developed nations (Naidoo, 2009), the establishment of international branch campuses can be regarded as a new form of colonialism (Welch, 2011). Even though universities generally aim to maximise both revenues and prestige (Slaughter & Leslie 1997), criticisms of TNE might lead some institutions to emphasise their contributions to social and economic development and play down their economic motives and those relating to achieving global recognition and influence. Institutions can even change their declared objectives. For example, after suffering financial losses over many years, Monash University reconfigured the rationale for its campus in South Africa from market enterprise to a de facto aid project (McBurnie & Ziguras 2007).

Growth in Developing Countries

We find a surge in the private higher education institutions not only in the advanced liberal economies but also in the post-communist societies and developing countries. Worldwide, 84 million students attend regular higher education programmes. This figure is constantly rising and likely to be 160 million by 2025, whereas state support in terms of funding per student is declining (Glakas, 2003).

Recent Trends

Recent trends highlight the fact that UK universities now have a broad and diverse range of TNE partners, including private companies, private for-profit education companies, public universities (autonomous and under state control) and government ministries. For example: 'Staffordshire University partners with an autonomous public university, the University of Madras. London Metropolitan University has a partnership with public Nanyang Polytechnic and public health care provider Singapore General Hospital' (HEGlobal, 2016)

Another trend is the increasing interest in distance/ online learning as a form of TNE provision by UK universities. This mode of delivery covers both supported distance/flexible learning and unsupported distance/online learning. Other popular forms have been franchising, validation and various degree combinations: for example, joint, multiple, dual, double and concurrent degree qualifications (HEGlobal, 2016).

According to the 2014/15 AOR data (HEGlobal, 2016):

- Of the 134 UK HEIs in the HESA database, 99 are currently involved in provision of UK HE for involving a total of 665,995 students. Out of which, approximately 43% of all TNE students in the 2014/15 AOR data study with Oxford Brookes University most of whom are registered with ACCA (the Association of Chartered Certified Accountants) as students.
- Over one quarter (28%) of TNE programmes are delivered for students in Asia, whilst the European Union accounts for just under a quarter (23%). Africa and the Middle East account for 14% and 13% respectively
- There are only 15 countries in the world where UK HEIs are not delivering TNE programmes. United Arab Emirates top the list of host countries. Singapore and Malaysia together account for 15% of all UK HE TNE programmes.
- Branch campus registrations are the lowest numbers and just over half of TNE programmes are distance/online learning programmes, and around two out of five are delivered through a local delivery partnership.
- Business and Management programmes account for two out of five TNE students followed by Social Studies and Law which accounts for one in five.
- Almost one half of TNE programmes are undergraduate degrees (47%), with the remainder mostly postgraduate taught programmes (44%).
- Excluding Oxford Brookes, the University of London's International Programmes, the Open University and the University of Liverpool are the largest providers. The University of London is the only provider amongst these to offer distance programmes without local support. For the University of London, it is mostly distance learning, for the University of Liverpool it is a mix of distance and local delivery

partnerships and for the University of Greenwich it is almost entirely local delivery partnerships.

The first overseas exams held in Mauritius in 1865 were for External Degrees offered by the University of London. Currently around 54,000 students are studying over 100 Degree and Diploma programmes in over 180 countries. Two main models are in operation: the first is the independent student model and the second a Teaching Institution model. Students can sit their final examinations locally in one of 650 examination centres, predominantly run by the British Council or local universities. All centres are independently inspected.

Entry Mode into TNE

Transnational education encompasses various facets of delivery at branch campuses abroad (Kinser & Levy, 2005): off-shore institutions established in a host country, franchising cross-national degree programmes by international institutions, distance learning arrangements and virtual universities (Vignoli, 2004; Kinser & Levy, 2005) and partner-supported delivery (McBurnie & Ziguras, 2007).

There are three major types of delivery modes in transnational education services: distance models, in-country delivery models and blended models. (Francois *et al.*, 2016)

Preferred entry modes combine a mode which draws upon the benefits of the existing models. It is evident that Oxford Brookes and the ACCA partnership mode and the University of London's External Programmes are the two most popular models.

Students enrolled for the University of London's and ACCA awards can study independently or study at a recognised third-party institution. The delivery model falls within the category of open, distance and flexible learning. The courses are also taught at third party institutions predominantly owned by small- and medium-sized independent providers in a market where competition is high. Competition on one hand and limited bureaucracy around delivering TNE programmes result in lower operating costs of teaching these qualifications, which then results in the teaching providers charging students reasonably lower fees. Lower fees, highly reputed qualifications and accessibility are factors driving the high demand of these awards.

When students from across the globe enrol for a distance learning programmes, it poses a challenge for the awarding bodies, which need to set up robust assessment arrangements, because of the rise of third party assessment contract providers who can compromise the integrity and reliability of the assessment process. In case of University of London and ACCA, their preferred assessment method is the time-constrained examination.

Examination methods may be robust from the regulatory point of view, but students are increasingly indicating a preference for a predominance of coursework assessment. Time-constrained examinations, whilst not always popular with the student body, appear to satisfy regulators and government bodies whilst offering

the higher education provider a scalable solution to assessing large student numbers (O'Callaghan, C.O., 2017).

Both these models have drawbacks in that the awarding bodies are not the teaching institutions. They are simply assessment providers. Students enrolled in these programmes receive a variable academic experience, and their educational journeys may not sufficiently allow them to enjoy and experience campus life, acquire valuable skills, engage in peer-to-peer learning and acquire the self-motivation requisite for lifelong learning.

Modern qualifications are designed around instilling soft and hard skills among students. They aim to develop behavioral skills which require close collaboration and networking opportunities with all stakeholders including employers. Career conscious students would like career and progression opportunities and stronger alumni groups supporting them throughout their working life and beyond.

Qualifications aim to develop a wide range of intellectual and occupational skills, but many of these cannot be reliably assessed using time-constrained assessments. Creative and , innovative coursework, presentations, examinations, speeches, portfolios and time-constrained assessments are all becoming increasingly important from regulatory and students' points of view.

Conclusion

An optimal transnational HE institution should demonstrate the following features:

- 1) Highly respected qualifications and awards.
- 2) Reasonably inexpensive opportunities for study
- 3) A wide-variety of clear and detailed educational materials
- 4) Ample access to online learning resources
- 5) Provision for campus life experience
- 6) Extended support for employment and career opportunities, as well as for further study
- 7) An effective alumni network
- 8) Global marketing of the awarding brand

Many countries have clear competitive advantages to exploit the global market-place: for example, the United States in technology and military capability; China as an industrial powerhouse, and Germany as a leader of European integration. However, the UK does have a clear, but unexploited advantage: Britain can become the world leader in science and education: a role forged in the furnace of universities and research institutes up and down the country, using students as its fuel.

UK HE providers should make use of technology, online platforms and Britain's global reputation as a highly successful higher education sector to encourage local awarding bodies to become providers of transnational education.

The opportunity now exists for real development in TNE to encourage economically and geographically disadvantaged students to

participate in TNE, which can be developed to benefit providers and students alike.

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